

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6312**

**BILL NUMBER:** HB 1001

**NOTE PREPARED:** Nov 20, 2007

**BILL AMENDED:**

**SUBJECT:** Property tax relief.

**FIRST AUTHOR:** Rep. Crawford

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** \_\_\_**GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** This bill has the following provisions:

*Elimination of Elected County and Township Assessors:* This bill replaces elected county assessors with county assessors appointed by the county fiscal body and eliminates township assessors.

*Circuit Breaker and Homestead Credit:* This bill increases the circuit breaker credit for homesteads and certain rental property. This bill provides an additional 35% supplemental standard deduction for homesteads and provides an additional homestead credit for 2008.

*PTRC/Homestead Credits:* This bill eliminates state reimbursed homestead credits and property tax replacement credits in 2009.

*Levy Elimination:* This bill also eliminates: (1) school tuition support levies; (2) school transportation fund levies; (3) county medical assistance to wards fund levies; (4) family and children's fund levies; (5) children's psychiatric residential treatment services fund levies; (6) children with special health care needs county fund levies; (7) the state forestry fund levy; (8) the state fair fund levy; and (9) the department of local government finance data base management levy.

*Levy Controls:* This bill changes the formula for determining the maximum permissible growth in certain levies and eliminates the authority of a county to restrict review of levies, tax rates, and budgets by a county board of tax and capital projects review.

*Referendum:* This bill requires a referendum on bond issues and lease agreements payable from property

taxes or local income taxes and that cost at least 1% of a political subdivision's total net assessed value or \$10,000,000. It permits a referendum to increase a levy in excess of the amount approved by the county board of tax and capital projects review.

*LOIT:* This bill replaces the authority of a county to impose an annual levy growth tax rate, a public safety tax rate, and a property tax replacement tax rate with a single rate not to exceed 1%.

*Sales Tax Increase:* This bill increases the gross retail and use tax to 7%.

*Study Committee:* This bill establishes the Transportation Study Committee.

This bill also makes appropriations.

**Effective Date:** July 1, 2008; January 1, 2009; July 1, 2009.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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